

M.S.

KAISER GYPSUM COMPANY, INC.

Contract No. 5340-39

Date: January 12, 1954

This Contract is made this date between KAISER GYPSUM COMPANY, INC. (hereinafter called "Owner"), and J. C. Boespflug, Mary Boespflug and John F. Boespflug d.b.a. J. C. Boespflug Construction Co., a partnership, (hereinafter referred to as "Contractor").

WITNESSETH

Owner and Contractor hereby agree that the following work shall be performed by Contractor for the compensation and upon the Terms and Conditions hereinafter set forth on Face Sheets "A" through "E" of this Contract and including Articles 1 through 33 of the Terms and Conditions attached to and made a part of this Contract.

WORK TO BE PERFORMED: Contractor shall construct a Wallboard Plant with the appurtenant facilities complete and ready for operation and in that connection shall furnish all labor, supervision, materials, supplies, tools and equipment therefor (except as otherwise specifically provided herein), and do all the work in and in accordance with Kaiser Engineers' Plans and Specifications No. 5340-4 including Addendum 1, 2 and 3 thereto, which include Addendum No. 1 - Revisions to Drawings for Wallboard Plant and Addendum No. 2 Revisions to Drawings for Wallboard Plant; all drawings listed in said Specifications with all revisions thereto dated prior to December 1, 1953 and Revision 1 to each of the following Kaiser Engineers' Drawings: 1-101-SC, 1-102-SC, 1-103-SC, 4-101-SS, 4-102-SS; and two Telegraphic Revisions to Specifications dated January 6, 1954 and shall cause to be performed all the work as specified in and in accordance with the Contracts heretofore entered into by Owner in connection with said Wallboard Plant which Contracts are listed in Exhibit "C" attached hereto and by this reference made a part hereof. All of the above is hereinafter sometimes referred to as "The Work".

PLANS, DRAWINGS AND/OR SPECIFICATIONS: Attached hereto as Exhibit "A" and by this reference made a part hereof.

LOCATION OF WORK: Site of Owner's new Wallboard Plant, Seattle, Washington.

ITEMS TO BE SUPPLIED BY OWNER: As set forth in Revised Exhibit "B" attached hereto and by this reference made a part hereof.

WORK TO COMMENCE: As of the date of this Contract with work at the jobsite to commence on date specified in Owner's Notice to Proceed with field work.

It is anticipated that field work can commence on or about January 12, 1954.

WORK TO BE COMPLETED: Time is of the essence of this Contract and all The Work shall be completed by Contractor as soon as due diligence and good practice will permit but in no event later than August 31, 1954, or such extended completion date as may be applicable in accordance with and pursuant to the provisions of Article 14 hereof. Contractor shall be liable for and shall pay any losses or damages suffered by Owner or Architect-Engineer or both, arising out of any breach or default by Contractor in the performance of this Contract.

FACE SHEET "A"

KG2002846

COMPENSATION: (Includes all present and future, State, Federal and local sales, use, excise and transportation taxes and all other taxes pertaining to the transaction unless otherwise specifically provided.)

Lump Sum \$1,709,762.00

In the event that the quantities of materials actually furnished, fabricated and erected under Contracts Nos. 5340-24, with Isaacson Iron Works, or 5340-25, with Puget Sound Sheet Metal Works, as set forth in said Revised Exhibit "C" shall differ from those respective quantities set forth therein as "Estimated quantities" the above specified lump sum compensation shall be adjusted by the net sum of the products of the unit price applicable to each item times the difference in the actual and said estimated quantity of each item respectively.

If in order to achieve the minimum bearing capacity specified in said Specifications and pursuant to Owner's written direction the actual lengths of piling driven in connection with The Work shall be longer than the lengths stated in the Plans and Specifications, said above lump sum compensation shall be increased at the following rates for each additional foot of piling driven:

<u>Type</u>	<u>Rates</u>
1. Plain timber piling in place:	\$.50/1.ft.
2. Creosoted timber piling in place:	1.40/1.ft.
3. Concrete section of composite piling in place:	4.50/1.ft.

If, pursuant to Owner's written directions, the actual lengths of piling driven in connection with The Work shall be shorter than the lengths specified in the Plans and Specifications, said lump sum compensation shall be reduced at 75% of the rates specified above for longer piling.

In the event that Contractor is required to pay more or less than the total lump sum compensation specified in Contract No. 5340-20 listed in said Revised Exhibit "C" with Otis Elevator Company, because of the operation of the escalation provisions appearing on Face Sheets "B" and "C" of said Contract, Contractor's lump sum compensation set forth on Face Sheet "B" hereof shall be adjusted by the net amount of such increase or decrease as the case may be.

Said lump sum compensation as set forth on Face Sheet "B" of this Contract includes all compensation payable by Contractor (exclusive of escalation) under all lump sum Contracts, and all compensation payable by Contractor under all unit price Contracts to the amount set forth as the "Total Estimated Amount", as listed and set forth in said Revised Exhibit "B".

BONDS: Not required.

ADDRESSES:

Owner:

Kaiser Gypsum Company, Inc.
Kaiser Building
Oakland 12, California

Contractor:

J. C. Boespflug Construction Co.
1912 Fourth Avenue, South
Seattle 4, Washington

Architect-Engineer:

Kaiser Engineers
Division of Henry J. Kaiser Company
Kaiser Building
Oakland 12, California

FACE SHEET "B"

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LIQUIDATED DAMAGES: Article 30 of the attached Terms and Conditions is inapplicable and has been deleted prior to the execution hereof.

SUPERVISION:

It is understood that Owner has entered into a Contract with Kaiser Engineers Division of Henry J. Kaiser Company herein referred to as Architect-Engineer to perform engineering, managerial and supervisory services in connection with the construction of Owner's facilities at Seattle, Washington, including the work described herein. Pursuant thereto Owner has delegated to Architect-Engineer the function of approving all plans, specifications, change orders, rental rates, vouchers, accounts and other matters relating to the performance of the work described herein with respect to which Owner's approval is required.

SPECIAL PROVISIONS:

Owner shall obtain a policy of fire insurance with a standard extended coverage endorsement covering the above specified work and the materials at the jobsite to be incorporated in the work. Such policy of insurance shall include the Contractor as an insured. The cost of the fire insurance with extended coverage endorsement will be paid by Owner and is not included in the compensation specified herein.

In addition to the insurance which Contractor is required to carry in accordance with Article 20, Section B of the attached Terms and Conditions, Contractor shall carry All Risk Installation Floater Insurance covering any and all materials, equipment, machinery and supplies of any nature whatsoever including but not limited to Owner furnished items to be incorporated into The Work, while in transit, while awaiting erection and during erection and until accepted by Owner. Contractor shall furnish evidence of such insurance in accordance with the last sentence of Article 20B of the attached Terms and Conditions. Such policy shall be in such form and shall be issued by such insurance company as shall be satisfactory to Owner. The All Risk Installation Floater Insurance Policy shall exclude at the jobsite the perils of fire and of the standard extended coverage endorsement thereto, shall be in an amount of not less than \$200,000, shall provide for deductions not exceeding, on each claim arising from any one casualty, the sum of \$2,500 at the jobsite and \$250 during transit or at locations other than the jobsite and shall name the Owner and the Architect-Engineer as Insured as their interests may appear. Contractor shall be fully responsible for the work and all said materials, equipment, machinery and supplies, whether purchased by Owner or Contractor, and shall assume all risks of loss or damage thereto until completion and acceptance by Owner of The Work.

The Contracts set forth in said Revised Exhibit "C" and all of Owner's right, title and interest therein are hereby assigned to Contractor by Owner. Contractor hereby accepts said assignment on the terms herein specified, assumes and agrees to perform all obligations of Owner to the Contractors under said Contracts, and shall be fully responsible to Owner for all work to be performed thereunder by each of said Contractors as specified therein and in accordance with all the terms thereof. Contractor shall pay all compensation due Contractors under said Contracts according to the terms thereof, and shall defend and save harmless and indemnify Owner and Architect-Engineer against all claims and liabilities arising out of said Contracts for the payment of compensation or otherwise. In the event that Contractor shall default in payment of compensation due said Contractors, Owner shall have the right to pay directly to said Contractors such amounts as Contractor shall be in default and such amounts shall be deducted from the compensation payable to Contractor under this Contract, without prejudice to any other rights of Owner hereunder.

Contractor has received and examined copies of all the Contracts and Change Orders listed in said Revised Exhibit "C" and is familiar with all the terms and provisions thereof. Contractor has examined and is familiar with all Equipment Drawings for equipment to be furnished by Owner as set forth in the Revised Exhibit "B" attached hereto.

Contractor shall furnish all utilities and services as may be necessary for the prosecution of The Work and Owner shall have no obligation in connection therewith.

Contractor shall submit to Owner within fifteen (15) days after the date of this Contract a detailed schedule showing the order in which the Contractor shall carry on The Work, the time on which he will start the several salient features including but not limited to the pile driving, concrete foundations, concrete floors, structural steel framing, siding, utilities and installation of every major part of every major piece of equipment, complete equipment installation, painting, roads, railroad track, and final clean-up and the contemplated dates for completing same. The latest of such dates shall correspond with the completion date specified herein for the completion of all work.

The completion date set forth under "Work to be Completed" on Face Sheet "A" is based on the arrival at the jobsite of all items of equipment to be furnished by Owner including principal parts of the Coe Dryer, The Ersham Wallboard Machine, the Ersham Calcining Kettles and Hotbeds, the Union Iron Works Steam Generator, the Raymond Roller Mills and the Ersham Plaster Miners and the Bagging Equipment on or before June 1, 1954, and arrival at the jobsite of all other said equipment including the Marcy Tube Mill on or before July 15, 1954. Any time which Contractor is delayed in the performance of The Work by reason of delay in delivery of said equipment beyond the respective dates specified above shall be added to the time for completion of The Work subject to the provisions of and in accordance with Article 14 of the Terms and Conditions hereof.

Wherever items or services are set forth in the Contracts listed in said Revised Exhibit "C" as being furnished by Owner or others, said items or services shall be furnished by Contractor except for all gypsum formboard and all structural gypsum which shall be furnished by Owner and wherever said Contracts provide that shop drawings shall be submitted for approval said drawings shall be submitted to Owner.

Article 4 of the attached Terms and Conditions has been deleted and the following has been substituted in lieu thereof prior to the execution of this Contract:

"Article 4: MUNICIPAL FEES AND DEPOSITS: Contractor agrees to secure all necessary permits in connection with the performance of the work under this Contract except City of Seattle Building Permit which shall be secured and paid for by Owner and to pay all municipal and other fees in connection therewith, excepting the fee for said Building Permit and agrees to furnish at its expense any and all bonds and cash or other deposits required by law or required by any lawful body having the right to make demand therefor excepting the deposit for said Building Permit."

FACE SHEET "D"

IN WITNESS WHEREOF the parties hereto have made and executed this Contract as of the day and year first hereinabove written.

J. C. Boespflug, Mary Boespflug and
John F. Boespflug, partners d.b.a.
J. C. Boespflug Construction Co.,
a partnership

(Contractor)

By J. C. Boespflug
J. C. Boespflug
Title General Partner

By Mary Boespflug
Mary Boespflug
Title General Partner

By John F. Boespflug
John F. Boespflug
Title General Partner

KAISER GYPSUM COMPANY, INC.
(Owner)

By C. Harper

Title Vice President and General Manager

Approved as to form:

By A. L. Donney
(Legal Department)

Account No. 1.50

FACE SHEET "E"

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